

State of Alaska
ALASKA RETIREMENT MANAGEMENT BOARD
Relating to Asset Allocation
For the Alaska National Guard and Naval Militia Retirement Systems

Resolution 2021-02

WHEREAS, the Alaska Retirement Management Board (Board) was established by law to serve as trustee of the assets of the State's retirement systems; and

WHEREAS, under AS 37.10.210-220, the Board is to establish and determine the investment objectives and policy for each of the funds entrusted to it; and

WHEREAS, AS 37.10.071 and AS 37.10.210-220 require the Board to apply the prudent investor rule and exercise the fiduciary duty in the sole financial best interest of the funds entrusted to it and treat beneficiaries thereof with impartiality; and

WHEREAS, the Board contracts with an independent consultant to provide experience and expertise in asset allocation and other investment matters to come before the Board; and

WHEREAS, the Board has reviewed the actuarial assumptions for the Alaska National Guard and Naval Militia Retirement Systems; and

WHEREAS, the Board has reviewed the asset allocation set forth in the study prepared by the external investment consulting firm of Callan Associates, Inc.; and

WHEREAS, a prudent, diversified portfolio reduces risk and volatility and considers short term and long term earnings requirements for the Funds; and

WHEREAS, the Board shall continue to review, evaluate and make appropriate adjustments to asset allocation for the retirement plans on a periodic basis;

NOW THEREFORE, BE IT RESOLVED BY THE ALASKA RETIREMENT MANAGEMENT BOARD that the following asset allocation be established for the Alaska National Guard & Naval Militia Retirement System, effective July 1, 2021:

Alaska National Guard and Naval Militia Retirement Systems

FY2022 Target Asset Allocation

Asset Class	Allocation	Range
Broad Domestic Equity	20%	± 6%
Global Equity Ex-US	13%	± 4%
Fixed Income	46%	± 10%
Opportunistic	6%	± 4%
Real Assets	7%	+ 4%
Private Equity	8%	± 4%
Total	100%	
Projected 20 Year Geometric Return	5.68%	
Projected Standard Deviation	9.33%	


Policy Benchmarks

Asset Class	Benchmark
Broad Domestic Equity	Russell 3000
Global Equity Ex-US	MSCI ACWI Ex-US IMI Net
Fixed Income	95% BB US Aggregate 5% 3-Month Treasury Bill
Opportunistic	60% MSCI ACWI IMI Net 40% BB US Aggregate
Real Assets	35% NFI-ODCE 15% FTSE-NAREIT 25% NCREIF Farmland 10% NCREIF Timberland 15% CPI+4%
Private Equity	1/3 S&P 500 1/3 Russell 2000 1/3 MSCI EAFE Net

This resolution repeals and replaces Resolution 2020-05.

DATED at Anchorage, Alaska this 18th day of June, 2021.


Chair

ATTEST: 

Secretary